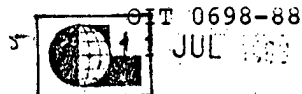


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OIT/TRIS
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MEMORANDUM FOR: Deputy Director for Administration

VIA: Director of Logistics

FROM: Edward J. Maloney
Director of Information Technology

SUBJECT: Senior ADP Acquisition Executive [REDACTED]

REFERENCE: Your memo to the IG, undated, subject:
Review of ADP Acquisition Procedures (DA 88-1178)

1. Based on the reference, your staff requested we provide our views on the creation of a Senior ADP Acquisition Executive within CIA. Under the existing system, the Offices of Information Technology and Logistics jointly perform ADP acquisition review. Headquarters Regulation [REDACTED] ADP Management, assigns the Director of Information Technology the responsibility to concur on all ADP acquisitions involving either a "central processing unit" or exceeding a dollar threshold (greater than a [REDACTED] purchase). In practice, this covers all significant ADP acquisition activity. By regulation, the D/OIT review covers technical and management issues only. Business management issues under our current system fall under the purview of the Director of Logistics. [REDACTED]

2. The D/OL fulfills his Agency-wide acquisition management responsibilities through the Senior Procurement Executive (currently [REDACTED]), the Procurement Management Staff, and the Agency Contract Review Board (ACRB). The Senior Procurement Executive and the Procurement Management Staff promulgate acquisition policy, while the ACRB is responsible for: "Reviewing all approved procurement requests, proposed contracts, or amendments in the scope of a contract that exceeds [REDACTED] in value, plus other lesser value actions at the discretion of the contracting officer." [REDACTED]

3. Should the DDA opt to create a new structure, we would recommend that it be housed within the Office of Information Technology and report to the D/OIT (suggested responsibilities are provided in the attachment). We propose adding a business management review to the existing OIT ADP procurement review. The OIT business review would be an additional level of review. It would focus on financial management issues, such as the justification of lease vs. purchase and purchase vs. installment purchase (e.g., Alternate Purchase Plans--APPs). The responsibilities of Agency Contracting Officers and the Agency Contract Review Board would continue. This new review function would

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25X1
SUBJECT: Senior ADP Acquisition Executive [redacted]

require the augmentation of D/OIT's staff by at least one individual. (We would recommend a Contracting Officer on rotation from OL.) A major function of the new individual would be training--training of both Agency Contracting Officers and technical staff in the cost evaluation of procurement alternatives. [redacted]

25X1
4. In sum, we see the Senior ADP Acquisition Executive role assigned to the Office of Information Technology as a natural outgrowth of the current technical/management review. With the procurement review performed by Contracting Officers and the ACRB, we should be able to demonstrate to Congress our commitment to improving the financial management of CIA ADP acquisitions. [redacted]

25X1
[redacted]
Edward J. Maloney

Attachment:
As stated

CONCUR: *

25X1
[redacted]
Director of Logistics

15 July 1958
Date

*While I have concurred in OIT's position, I do not believe that it will substantively improve the ADP Acquisition Process. Paragraph 2 of Ed's memo spells out the detailed review which now takes place in the Office of Logistics, but does not explain the fact that the business decision to purchase or lease is inherent in the procurement function and is specifically the responsibility of each Contracting officer. Adding another review by a designated Senior ADP Acquisition Executive places an additional bureaucratic layer in the process and can only further impede rather than speed it up. I suggest that instead of adding this additional layer, the responsibility should be given to the Chief, Contracting Team, OIT, for the review of proposed lease vs. purchase ADP acquisitions over one million dollars.

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25X1 SUBJECT: Senior ADP Acquisition Executive [REDACTED]

25X1 MSD/MG/OIT, [REDACTED] (5 July 88)

Distribution:

- Orig - Addressee (w/att)
- 2 - DDA Registry (w/att)
- 1 - D/OL (w/att)
- 2 - D/OIT (w/att)
- 1 - MSD/MG/OIT (w/att)
- 3 - ISC (w/att)

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Proposed Responsibilities of the Senior ADP Acquisitions Executive

Note: Currently responsible component in brackets

Technical/Management

Review of proposed ADP acquisitions to ensure:

- Cost-effective use of automation; viable operational
Concept of Operations [OIT]
- Non-redundancy with existing systems or ongoing programs [OIT]
- High quality requirements statements and/or Statements of
Work [OIT when information is made available]
- Compatibility with existing systems/networks [OIT]
- Conformance with technical standards (*) [OIT]
- Technical/management coordination has taken place
(e.g., will OIT support be required) [OIT]
- Facilities concerns addressed [OIT for OIT-supported equipment;
OL for non-OIT supported equipment]
- Acceptable security plan [OIT for OIT-supported equipment;
OS for non-OIT supported equipment]

(*) A detailed technical evaluation of the proposed system/configuration
will not be performed

Business Management

Review of proposed ADP acquisitions to ensure:

- Cost-effectiveness of financial arrangements
(lease vs. purchase, etc.) [OL]

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